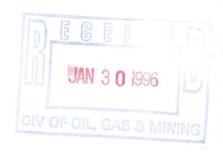


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 Telephone: (801) 538-5340

Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

| I. | General Information | | |
|-----|---------------------|--|--|
| | 1. | Report Time Period: From (mo./yr.) 1/95 To (mo./yr.) 12/95 | |
| | 2. | DOGM File Number (Mine No): S /039 / 001 | |
| | 3. | Mine Name: Trace Mine #1 | |
| | 4. | Mineral(s) Mined (or permitted to mine): Metalliferous minerals referred | |
| | 5. | Type of mine \(\time\) Surface Mine \(\text{as Azomite}\) Underground Mine | |
| | 6. | Legal Description (Location of Lands Affected): | |
| | | SW 1/4, NW 1/4, Section 4 Township 17S, Range 1W | |
| | | 1/4,1/4, Section, Township, Range | |
| | | 1/4,1/4, Section, Township, Range | |
| | 7. | Name of Operator or Company: Peak Minerals-Azomite, Inc. | |
| | 8. | Permanent Street Address: 205 Eagle Pointe Drive | |
| | | City, State, Zip: Branson, MO 65616 | |
| | | Phone: (417) 336-6666 | |
| | 9. | Company Representative (or designated operator): | |
| | | Name: W. Wesley Emerson | |
| | | Title: President | |
| | | Business Address: 205 Eagle Pointe Drive | |
| | | City, State, Zip: Branson, MO 65616 | |
| | | Phone: (417) 336-6666 | |
| | | Nease check if any of the above information has changed since previous year. | |
| II. | Minin | g and Reclamation | |
| | 1. | Was the mine active during the past year? Yes ▼ No □ | |
| | 2. | If active, how much ore or mineral was mined?5,188 tons | |

| 3 | . How much additional acreage was disturbed during the past year? 1/2 acre |
|----------------|---|
| 4 | Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved. |
| | Oxidized ore pushed off surface with dozer to expose |
| | _better grade minerals. |
| | |
| | |
| 5. | How much acreage was reclaimed during the past year?none |
| 6. | Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. |
| | Dozer was used to rip and push material from the previously disturbed area. Only 5,188 tons of material was removed. |
| | |
| 7. | What is the total disturbed acreage at years end? |
| 8. | Briefly summarize any mining and/or reclamation plans for the upcoming year. |
| | Currently plan to mine 5 - 6,000 tons in the same location. |
| | |
| | |
| | |
| NOTE: | Section III., "Additional Information" applies only to large mining operations. |
| III. Additiona | al Information |
| | |
| . 1. | An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted. |
| 2. | Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached. |
| IV. Signature | e Requirement |
| I here | by certify that the foregoing is true and correct. |
| | Name (Typed or Print): W. Wesley Emerson |
| | Title of Operator: President |
| | Signature of Operator: |
| | Date: - 22, 1996 |
| jb | Date. |